Titling Tips

December 2005

n this edition:	Page
Dealers Must File Sales Reports Electronically or Submit Paper Notices of Sale (NOS)	1
Submit Dealer Reports on Time to Avoid Discipline or Penalties	2
Temporary Permit Form Revised	2
Temporary/Intransit Permits – Expedite Your Order – Pay by Credit Card	2
Federal Bankruptcy Provisions Extends Lien Perfection Deadlines	2
Dealer Licenses Expire December 31 st	2

DEALERS MUST FILE SALES REPORTS ELECTRONICALLY OR SUBMIT PAPER NOTICES OF SALE (NOS)

Effective January 1, 2006, Sections 301.196 through 301.198 and 301.280, RSMo, require dealers who sell motor vehicles, trailers, or all-terrain vehicles to:

- File <u>all</u> their sales electronically (on a <u>monthly</u> basis or more frequently as determined by the dealer); or
- Submit a Notice of Sale (NOS) (DOR-5049 or 5049A) form for each <u>retail</u> sale (excluding boats) made to a Missouri purchaser with the Dealer's Monthly Sales Report (DOR-385).

You may photocopy the attached NOS (DOR-5049) or the form may be obtained at www.dor.mo.gov/mvdl/motorv/forms/. The forms are also available for order from the Motor Vehicle Bureau.

In late January 2006, the Department of Revenue (department) will begin issuing the DOR-5049A (see sample), which is a tear-off NOS at the bottom of a two-part title.

If you file electronically, all sales made by your dealership must be reported. If you file paper NOS with your paper monthly sales reports, you are <u>not</u> required to complete a NOS for the following vehicles:

- 1. Vehicles with a salvage title or junking certificate;
- 2. Vehicles sold to a dealer;
- 3. Vehicles sold to an out-of-state purchaser;
- 4. Manufactured homes; and

5. Vessels and outboard motors.

See the attached questions and answers related to the new NOS law and how it affects you. Inquiries may be directed to (573) 751-4509 or mvbmail@dor.mo.gov.

(Front of DOR-5049A)

MUST BE COMPLE	TED BY SELL		OF SALE	SE		DOR USE ONLY - CO
		PURCHASER NAME(S)				DUN USE ONLY - COI
		ADDRESS				
		CITY		STATE	ZIP CODE	COUNTY
		DRIVER LICENSE NUMBER OF	FIRST PURCHASER		DATE OF BIRTH	OF FIRST PURCHASER
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	MAKE	VEHICLE IDENT	PRINTED NAME OF FI	RST PURCI		VE LE NUMBER
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		VEHICLE IDENT		RST PURCI		
SIGNATURE OF FIRST PURCH COV YEAR DATE OF SALE		VEHICLE IDENT			TiTI	

(Back of DOR-5049A)

Vehicle Bureau, P.O. Box 3050, Jefferson City, purchasers, beneficiaries named in a trust, and tre release of any interest in the vehicle. Make prompt not is guilty of an infraction. If the failure to submit this not or other fraudulent purposes, the seller shall be guilty of a	r within 30 days of sale to a contract office or to Missouri 65105-3050. DO NOT report sales to: lic insider on death beneficiaries. Completion of this form diffication to help protect yourself from possible liability. A be was done to assist the purchaser avoid applying for a	ensed vehicle dealers, out-of s does not constitute an assignmen ny seller who falls to submit this no
SELLER NAME(S)		DEALER NUMBER
ADDRESS		
CITY	STAT	TE ZIP CQDE
CITT	1	
	facts regarding this sale are true to the bes of a vehicle is a class C misdemeanor.	st of my knowledge. Knowin

If you have already completed and returned the flier to the department that was sent to you in early October 2005 and selected one of the two electronic sales reporting options, you are enrolled for electronic filing. All dealers who request electronic filing by December 23, 2005, will receive a user ID and password the first week in January to access the NOS website. If you want to file electronically, but have not notified the department, please complete and

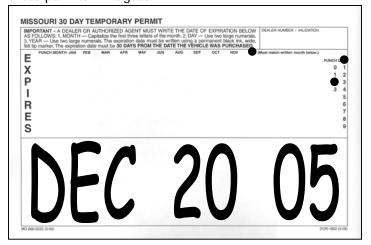
submit an Application for Online Dealer's Monthly Sales Report Filing (Form-5092). Obtain the form at www.dor.mo.gov/mvdl/motorv/forms/.

SUBMIT DEALER REPORTS ON TIME TO AVOID DISCIPLINE OR PENALTIES

Effective January 1, 2006, Section 301.280, RSMo, provides that any dealer who fails to file the required dealer's monthly sales reports, or who fails to file them timely, shall be subject to disciplinary action as prescribed by Section 301.562, RSMo, or a penalty may be assessed. The penalty is \$300 per report. The law requires dealer sales reports to be submitted by the 15th day of the month following the month in which the sales are reported. If you have reports outstanding, please submit them as soon as possible.

TEMPORARY PERMIT FORM REVISED

The Motor Vehicle/Trailer Temporary Permit (DOR-1852) has been revised to show the expiration months and days around the perimeter of the permit. These must be hole-punched to correspond with the expiration date in an effort to help reduce permit fraud. If the permit expires on the 10th, 20th, or 30th day of the month, punch the appropriate number in the Left column and right above the "1" in the right column make a punch to indicate the zero (see example below). The department began issuing these permits in August.



<u>TEMPORARY/INTRANSIT PERMITS – EXPEDITE</u> <u>YOUR ORDER – PAY BY CREDIT CARD</u>

The department will now accept orders for Temporary and Intransit Permits from registered dealers by e-mail at **DEALERLIC@dor.mo.gov** and fax at 573-522-4197. Payment for e-mail and fax orders must be made by credit card. Orders for permits made by mail may be paid by check, money order, or credit card.

The credit cards that are accepted include:

• Discover, Mastercard, Visa, and American Express.

In addition to the *permit cost, a \$1.49 credit card processing fee will be added to each order.

The following credit card information must be provided or your order cannot be processed:

- Credit card type;
- Name (as it appears on the credit card);
- Credit card number and expiration date; and
- Account number.

*Permit costs for a book of 10:

- Intransit Permits \$8.50
- Temporary Motor Vehicle Permits \$78.50
- Documented Vessel Temporary Permits \$53.50
- Temporary Vessel Permits \$53.50
- Temporary Outboard Motor Permits \$23.50

FEDERAL BANKRUPTCY PROVISIONS EXTEND LIEN PERFECTION DEADLINES

Effective October 17, 2005, Federal Bankruptcy code gives lienholders 30 days from the date of the loan to perfect their lien in order to be protected from the debtor filing for bankruptcy relief. Previously, lenders only had 20 days on a purchase and 10 days on a refinance to perfect their lien and still be protected from bankruptcy.

DEALER LICENSES EXPIRE DECEMBER 31ST

All dealer licenses expire December 31, 2005. If you have not submitted your dealer license renewal application/requirements to the Dealer Licensing Section, please do so immediately. A \$25 late penalty fee must be included. Applications received after December 31, 2005 must include a \$50 late penalty. You cannot buy and sell motor vehicles without having a current dealer license.

Dealers who wish to drive to Jefferson City to renew their license and receive their new dealer plates must notify the Dealer Licensing Section 24 hours in advance at (573) 751-8343. If a 24-hour advance notice is not given, the dealer will not receive their 2006 plates at the time of renewal. Please complete the personal information of the owners/partners/corporate officers listed on the application to avoid rejection of your application.

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INSTRUCTIONS

MISSOURI DEPARTMENT OF REVENUE MOTOR VEHICLE BUREAU PO BOX 3050, JEFFERSON CITY, MISSOURI 65105 (573) 751-4509 www.dor.mo.gov/mvdl

DOR USE ONLY	
CODE	FORM
0052	504
OFFICE NUMBER	(REV. 11-200

NOTICE OF SALE

INSTRUCTIONS:

If you sell a motor vehicle, trailer, or all-terrain vehicle, you must:

- · Submit this notice within 30 days of the date of the sale;
- Complete all sections of this notice (A, B, and C);
- · Sign the notice and obtain the purchaser's signature;
- Mail the notice to P.O. Box 3050, Jefferson City, MO 65105; and
- · Keep a copy of this form for your records.

DO NOT report sales of marinecraft, manufactured homes, or vehicles that have been issued a salvage or title or junking certificate OR transfers made to licensed vehicle dealers, out-of-state purchasers, beneficiaries named in a trust, or transfer on death beneficiaries.

The seller remains the last titled owner of the vehicle until the purchaser titles and registers the vehicle in his or her name.

This form may be used in place of a bill of sale, when applying for title on a newly purchased vehicle to obtain a 180-day sales tax credit. The date of sale on this form and date of purchase of the new vehicle must be within 180 days.

The purchaser must apply for a new title within 30 days of purchase.

	PENALTIES Any seller who fails to submit this notice is notice was done to assist the purchaser in a seller shall be guilty of a class C misdeme yourself from possible liability.	avoiding ap	oplying for title	, paying applic	able registration fees	s, or other frau	dulent pu	urposes, the	
	PURCHASER(S) NAME(S) (TYPED OR PRINTED)	SELLER(S) NAME(S) (TYPED OR PRINTED)							
	ADDRESS				ADDRESS				
FION A	CITY	STATE	ZIP CODE	CITY			STATE	ZIP CODE	
SECTION	INSIDE CITY LIMITS OUTSIDE CITY LIMITS — IF	DEALER NUMBER, IF APPLICABLE							
	DRIVER LICENSE NUMBER OF FIRST PURCHASER LISTED ABOVE								
	DATE OF BIRTH OF FIRST PURCHASER LISTED ABOVE								
SECTION B	YEAR MOTOR VEHICLE / MO MAKE	TORCYCI		RAILER NUMBER	ATV		STATE		
SEC	VEHICLE IDENTIFICATION NUMBER		SALE	DATE		NET PRICE (AFTER	RTRADE-IN)		
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SECTION	SIGNATURE OF ONE PURCHASER								
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Dealers Must File Sales Reports Electronically or Submit Paper Notices of Sale Effective January 1, 2006

1. What is the new Notice of Sale (NOS) law that is effective January 1, 2006?

Effective January 1, 2006, the seller must report the sale of a motor vehicle, trailer, or all-terrain vehicle to the Department of Revenue (department) within 30 days. Licensed dealers must comply with this law in one of two ways.

- Submit a NOS (DOR-5049 or 5049A) for each retail sale (excluding boats) made to a Missouri purchaser with the Dealer's Monthly Sales Report (DOR-385); or
- File the dealers monthly sales report electronically.

At this time, electronic filing is optional. However, beginning January 1, <u>2007</u>, if you sell an average of 20 or more motor vehicles, trailers, all-terrain vehicles, and/or boats per month, you <u>must</u> file your sales reports electronically.

If you elect to or are required by law to file your motor vehicle, trailer, all-terrain vehicle, and boat sales electronically, <u>all sales must be reported</u> using one of the two electronic reporting options outlined in question #2.

2. What are the filing options to report these sales to the department?

- a. Option 1(electronic) –Enter each sale on the department's **Internet NOS Reporting System**Application. If you file electronically, you will no longer file the paper monthly sales report (DOR-385);
- b. Option 2 (electronic) Submit a prescribed file to the department's secure server through Secure HyperText Transfer Protocol (HTTPS). This method is for dealers who use front-end vendor software (or software developed by the dealership) to complete title applications, etc., and avoids duplicate entry of the sales data. If you file electronically, you will no longer file the paper monthly sales report (DOR-385); or
- c. Option 3 (paper) Complete a NOS for Retail Sales. Complete a **NOS (DOR-5049 or 5049A)** for each retail sale of a motor vehicle, trailer, or all-terrain vehicle made to a <u>Missouri</u> purchaser and submit the completed NOS forms with your monthly sales report (DOR-385). Boats are excluded from the NOS filing requirement. (Beginning January 1, 2007, Option 3 will no longer be available for dealers who make an average of 20 or more sales per month.)

3. What is the Internet NOS Reporting System? Is special software required?

This dealer sales reporting option allows a Missouri motor vehicle, trailer, all-terrain, and/or boat dealer to file <u>all</u> sales (motor vehicle, trailer, all-terrain vehicle, or vessel) made by the dealership, <u>one at a time</u>, over the Internet. Sales are filed on a monthly basis or more frequently as determined by the dealer. To use this reporting option, you must have:

- a. Access to the Internet and an e-mail address;
- b. The latest version of Internet Explorer or Netscape Navigator; and
- c. A user ID and password from the Department of Revenue.

The sales reporting process is easy:

- See question 8 to apply to use the system;
- Receive a user ID, password, and website address;
- Log on to the system and change your password;
- Enter a sales record into the easy to follow screens:
- Confirm the information is correct;
- Submit the record; and
- Print the receipt (optional).
- Enter the next sales record, etc.

The system will archive all of your sales for easy access at your convenience for three years (unless you are otherwise notified). Best of all, no more paper sales reports are required!

Before the 15th of the following month, you must log on to the system and close out the previous month's sales by following the easy instructions.

4. What is the HTTPS Electronic Dealer Sales Reporting System? Is special software required? This dealer sales reporting option will be available in January 2006. This option allows a Missouri motor vehicle, trailer, all-terrain vehicle, and/or boat dealer to file each sale (motor vehicle, trailer, all-terrain vehicle, or vessel) in one file using the dealer's current front-end software. Sales are filed on a monthly basis or more frequently as determined by the dealer. Requirements for this reporting option include:

- a. A file created by your software vendor (or your dealership) in the format prescribed by the Department of Revenue.
 - Your software vendor (or your dealership if you are using your own software) must submit a test file for approval to Randy.Hutton@dor.mo.gov before using this option.
- b. Access to the Internet and an e-mail address;
- c. The latest version of Internet Explorer or Netscape Navigator; and
- d. A user ID and password from the Department of Revenue.

The sales reporting process is easy:

- See question 8 to apply to use the system;
- Receive a user ID, password, and website address;
- Log on to the system and change your password;
- Enter your sales records into your current dealer software system;
- Log onto the department's website and send the sales file to the department; and
 Any sales records with errors or data omitted will be located in a file for you to access.
- Log onto the website, download the error file to your computer, correct any records that contain errors, and resubmit the file.

The system will archive all of your sales for easy access at your convenience for three years (unless you are otherwise notified). Best of all, no more paper sales reports are required!

Before the 15th of the following month, you must log on to the system and close out the previous month's sales by following the easy instructions.

5. Where do I obtain the NOS forms?

The NOS (DOR-5049) may be obtained at **www.dor.mo.gov/mvdl/motorv/forms/**. The forms are also available from the Motor Vehicle Bureau, P.O. Box 100, Jefferson City, Missouri 65105 or by calling (573) 751-8343. Contract offices will have a very limited supply of forms for individuals.

In late January 2006, the department will begin issuing titles that have a tear-off NOS (DOR-5049A) at the bottom.

6. What are the benefits of reporting my vehicle/boat sales electronically using the department's Internet NOS Application?

- Eliminates paper reporting. A participating dealer will not need to submit a paper monthly sales report (DOR-385) (except to report boat sales until the system is fully operational) or complete the paper NOS forms that are otherwise required effective January 1, 2006.
- Updates the department's files at least weekly (excluding holidays)
- Provides a NOS receipt available for printing immediately upon filing.
- Performs front-end edits to ensure all required information is recorded.
- Archives sales records online for the dealership's account administrator to access, search, and reprint anytime for three years unless you are otherwise notified.
- Eliminates postage, envelopes, and mailing required for paper reports or NOS forms.

• Generates system reminders to file reports upon logging into the system to help you avoid incurring any late sales reporting penalties.

7. What are the benefits of reporting my vehicle/boat sales electronically using the special front-end software?

- Eliminates paper reporting. A participating dealer will not need to submit a paper monthly sales report (DOR-385) or complete the paper NOS forms that are otherwise required effective January 1, 2006.
- Eliminates double entry of records as your current front-end software creates the file from the data you already enter.
- Updates the department's files weekly (excluding holidays).
- Performs back-end system edits to ensure all required information is recorded and creates a file containing any sales records requiring correction.
- Archives sales records online for the dealership's account administrator to access, search, and reprint anytime for three years unless you are otherwise notified.
- Eliminates postage, envelopes, and mailing required for paper reports or NOS forms.
- Generates system reminders to file reports upon logging into the system to help you avoid incurring any late sales reporting penalties.

8. How do I register to file my motor vehicle, boat, and trailer sales electronically?

If you have already completed and returned the flier to the department that was sent to you in early October 2005 and selected one of the electronic sales reporting options, you are enrolled for electronic filing. All dealers who request electronic filing by December 23, 2005, will receive a user ID and password the first week of January 2006 to access the NOS website.

If you want to file electronically but have not notified the department or want to change your reporting option, please complete and submit an Application for Online Dealer's Monthly Sales Report Filing (Form-5092). You may obtain the form at www.dor.mo.gov/mvdl/motorv/forms/.

9. Will I be notified when I am approved to file sales electronically?

Yes. You will be notified by e-mail with a user ID, password, and website address to access the sales reporting system and ensure security of your information. All dealers who request electronic filing by December 23, 2005, will receive a user ID and password the first week of January 2006 to access the NOS website.

10. Is there a fee to report my sales electronically?

No. The department does not charge a fee to use either electronic sales reporting options.

11. Will the department offer training on filing sales reports electronically?

The department will provide an online PowerPoint presentation that will be available by January 2, 2006 at http://www.dorx.mo.gov/mvdl/motorv/liendeal/. The reporting system will also contain help screens.

12. Are any vehicles exempt from the sales reporting?

If you file electronically, all sales made by your dealership must be reported (boat sales may not be filed electronically at this time if Option 1 is selected).

If you file paper NOS with your paper monthly sales reports, you are not required to complete a NOS for the following vehicles:

- a. Vehicles with a salvage title or junking certificate;
- b. Vehicles sold to a dealer:
- c. Vehicles sold to an out of state purchaser;
- d. Manufactured homes; and
- e. Vessels and outboard motors.

13. What is the impact of the new NOS law on boat dealers who make less than 20 sales per month? If you do not file your sales electronically, you must file a NOS (DOR-5049) for each boat trailer you sell. Boats are excluded from the NOS filing requirement. Please note that Option 1 (electronic filing option outlined in question 3) will not be available for boat sales until further notice.

14. How do dealers who are licensed as both a motor vehicle dealer and a boat dealer report their sales electronically?

Option 1

At this time, Option 1 is not fully programmed to accept boat sales. If you select Option 1 for your motor vehicle/trailer sales, you must continue to complete the paper Dealer's Monthly Sales Report (DOR–385) form for your boat sales. A NOS form is not required for boat sales.

Option 2

You must log into the sales reporting system using your motor vehicle dealer number. Any boat sales you report will be systematically logged to your boat dealer number. If you do not file any boat sales during a given month, when you do your monthly summary/closeout, the system will report zero sales for your boat dealer number and the quantity of sales you report under your motor vehicle dealer number. If you are a motor vehicle dealer only, the system will allow you to report up to five boat sales per year.

15. What sales records are retained/archived online? Can these be printed?

Your dealership can view and/or print any sales records the dealer filed electronically. Records can be selected by date range, year, make, and VIN, or control number.

16. Am I required to file a paper sales report by the 15th of every month in addition to the electronic reporting?

No. A separate paper monthly report is not required. However, after you file your sales electronically you must do a summary entry on the reporting system to finalize the sales for the previous month. The summary entry must be completed by the 15th day of the month following the month in which the sales occurred. Failure to do so may result in sales report penalties.

17. How will sales report corrections be handled?

If you use the Internet NOS system, front-end edits will alert you at the time you enter the data of any errors.

If you use the HTTPS Electronic Dealer Sales Reporting System, the department will create an error file the Monday following your file submission, if applicable, that you must access and download to correct any errors that are in the file.

18. What if the sale is rescinded after I report it?

Submit the following to the Dealer Licensing Section:

A copy of the NOS form or original sales record from the department's sales reporting system with the following information recorded on it:

- a. "Rescinded Sale;"
- b. Signature of dealer's agent; and
- c. Date rescinded.

Once the electronic sales reporting system is fully operational, you will be able to rescind a sale electronically. You will be notified when this enhancement is available.

19. What if the sale is amended after I report it?

Sales may be amended (i.e., name changed, etc.) if the dealer submits a copy of the NOS or original sales record from the department's sales reporting system to the Dealer Licensing Section with the following information recorded on it:

- a. "Amended Sale:"
- b. Amended information with a line drawn through the incorrect information; and

c. Signature of dealer's agent and date amended.

20. How will late sales be reported electronically?

Before you complete your summary entry/closeout for a particular month, you should ensure all sales have been entered for the month. Once you complete your summary entry/closeout, any sale reported after that date will be counted toward the next month's sales, even if the sale actually occurred during a previous month.

21. If I file electronically, am I required to file a report for each month even when I have no sales for a given month?

Yes. You must do a monthly summary entry/closeout by the 15th of the month for the previous month, even if you made no sales.

22. Once my dealership is approved to use the electronic sales reporting system, can I authorize several employees to file the sales?

At this time, only the contact person listed on your electronic filing application (who is also the system administrator) may file sales electronically. You will be notified when the system is able to accommodate multiple users per dealership.

23. What will the department do with the NOS/electronic sales information?

If the vehicle purchaser does not apply for a title within 60 days of purchase, the department will notify the purchaser of their titling obligation and the amount of taxes, penalties, and fees that are due. It is important that the net price be provided on all retail sales.

If the department receives an inquiry regarding ownership of the vehicle and the inquirer is authorized to receive personal information under the Driver's Privacy Protection Act, the pending purchaser reported by the dealer as well as the last titled owner will be disclosed.

NOS records will also be provided to County Collectors and Assessors.

24. What are the new penalties for delinquent sales reports?

Effective January 1, 2006, the law provides that any dealer who does not file the required dealer's monthly sales reports or who does not file them timely is subject to disciplinary action as prescribed by Section 301.562, RSMo, or a fine may be assessed. The fine is **\$300 for each report** not filed/transmitted or not filed/transmitted timely.

The law requires dealer sales reports to be submitted by the 15th day of the month following the month in which the sales are reported. The report summary must be filed electronically by the 15th day of the month following the month in which the sales are reported to avoid any penalties. If you have reports outstanding, please submit them as soon as possible.

25. If I file my sales electronically, am I still required to submit the Secure Power of Attorney forms and corresponding copies of the front and back of the title each month that I was submitting with my paper sales reports?

Yes. These documents must continue to be submitted by the 15th day of the month for the previous month's sales to the Motor Vehicle Bureau's Dealer Licensing Section, PO Box 43, Jefferson City, Missouri 65105-0043.

26. If I file my sales electronically, what should I do with the tear off NOS (DOR-5049A) from the two-part title that I receive?

You should retain the DOR-5049A in your records for three years.

27. What information is available in a "Record Lookup"?

The latest title, lien perfection, and reject information on file with the department, including vehicle owner name, lienholder name, if applicable, and vehicle information is available. To access these records, you must be specifically authorized by the department and have a security access code as well as an Automated Clearing House (ACH) account established. There is a \$1.25 charge per record accessed.

28. I still have questions. Who can I contact?

- If you have questions regarding your password, forgot your password, or have entered your user ID and password correctly but are getting a Login Failure message, contact the department's technical support staff at (573) 751-7000.
- If you have questions about the process of entering information in the NOS system or the Dealer Monthly Sales Report, click on the Step By Step Instructions link on the sidebar, contact mybmail@dor.mo.gov, or call (573) 751-4509.
- If you have further questions, click on the Contact DOR (Department of Revenue) link on the sidebar, complete the required information (be sure to click on the submit button) and a department contact person will respond to your question as soon as possible.